

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services – Treasuries and Accounts Department – Pension Payment Offices, Hyderabad – Fraudulent drawal of pensions by Sri Md.Ashfaq, formerly private receipt writer O/o APPO, Chandrayanagutta and Md. Ibrahim Khaleel, Controller, APSRTC, Barkatpura to a tune of Rs.20.54 lakhs – Departmental Proceedings initiated against Retired Officers/in Service Officers of PPO Unit of Treasuries and Accounts Department – Disciplinary action against Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) – Imposition of punishment of withholding of Rs.1,000/- per month from her pension for a period of three months (3) under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 4573

Dated: 02 -11-2010

Read the following:-

1. DTA Charge Memo.No. K5/22856/2001-6, dt: 14-02-2004.
2. Defence Statement of Smt. Iftekar Ameena, AAO, (Retd.)
dt: 08-07-2004.
3. G.O.Rt.No.4512, Finance (Admn.I.Vig) Dept, dt: 19-11-2008.
4. Enquiry Report of Sri Janak Raj, Commissioner of Inquiries
D.O.Lr.No.2128/COI.JR/2008,dt:05-11-2009.
5. Govt.Memo.No.13365-A/42/A2/Admn.I.Vig/2003, dt.17-11-09.
6. DTA. Lr.No. K(II)8/22856/2001, dated 27-03-2010 along with
explanation of Smt. Iftekar Ameena, AAO,(Retd.)
dt. 23-12-2009.
7. Govt. Memo.No.13365-A/42/A2/Admn.I.Vig/2003-4, dated 22-06-
2010.
8. Explanation of Smt. Noorus Saba Qureshi, A.O. (Retd.),
dt.05-07-2010.
9. Govt. Letter No. 13365-A/42/Admn.I.Vig/2003, dated 26-08-2010
addressed to Secretary, APPSC.
- 10.Secretary, APPSC Lr.No.1248/RT-I/3/2010, dated 07-10-2010.

ORDER:

The Director of Treasuries and Accounts, in the reference 1st read above, reported that a case of fraudulent drawals took place in the offices of Assistant Pension Payment Officers, Chandrayanagutta, Motigally, Nampally, Punjagutta and Narayanaguda. This came to light when the Banjara Hills Police have nabbed two culprits – Sri Md.Ashfaq and Sri Ibrahim Khaleel. The preliminary reports indicated that the said Sri Mohd Ashfaq, who worked earlier as pension receipt writer at the O/o the APPO, Chandrayanagutta made use of his knowledge of pension payment procedures and his contacts with the staff of the office of different APPOs and resorted to fraudulent drawls by adopting dubious means. The enquiries have revealed that the culprits used to make representations in the names of the deceased pensioners, and get the addressed changed and change the bank of the pensioners and drew the amounts fraudulently. The Police investigations revealed that the culprits have resorted to this fraud in about 30 cases. On the request of the police the probable amount of those fraudulent drawals has been estimated to be Rs.20,54,000/-. A criminal case in this matter has been registered in the Banjara Hills Police Station and it is under investigation. On detection of this fraud, the department undertook a detailed verification of those 30 Pension Payment Orders and it is found that the Assistant Pension Payment Officers have allowed the change of bank merely based on the option form or a representation received in the name of the pensioner and credited the pension to the new bank account without following the prescribed procedure. The descriptive rolls were changed by affixing the photographs of the fake pensioners. The Assistant Pension Payment Officers concerned have failed to keep the safe-custody of the records. This has given scope for the culprits and those who were in

connivance with them to have easy access and commit the fraud. The Charged Officers failed to follow the procedure prescribed in SRs.64 to 87 under TR.16 of A.P.Treasury Code. Vol-I and the procedure prescribed in G.O.Ms. No.213, Finance & Planning (FW PSC) Department, dated.19-12-1997 and instructions issued thereon from time to time and thus, they have not only given scope for these fraudulent drawals but also helped the culprits to continuously draw them over a period of time. They have not followed appropriate procedure in obtaining the life-certificates, descriptive rolls and in filing them in the files concerned. These failures have paved the way for the culprits to tamper with the records of the office and to resort to the fraudulent drawals.

2. Departmental Proceedings were initiated against Smt. Iftekar Ameena, the then APPO now Assistant Accounts Officer (Retired) along with others of PPO Unit of Treasuries and Accounts Department who were allegedly responsible for the irregularities and for their failure to follow the procedure prescribed in SRs.64 to 87 under TR.16 of A.P.Treasury Code. Vol-I and the procedure prescribed in G.O.Ms No.213, Finance & Planning (FW PSC) Department, dated.19-12-1997 and instructions issued thereon from time to time. The following Article of Charge has been framed against Smt. Iftekar Ameena, the then APPO, Nampally, presently A.A.O. (Retd.) vide DTA Charge Memo. No. K5/22856/2001-6, O/o the Directorate of Treasuries and Accounts, A.P., Hyderabad dated 14-02-2004.

Smt. Iftekar Ameena, the then APPO, Nampally now A.A.O (Retd)during the period from March 1995 to July 1996 has failed to follow the procedure prescribed in A.P.Treasury Code and Instructions issued thereon from time to time in making pension disbursements in respect of certain Pension Payment Orders and thereby given scope for drawls and was responsible for a loss of Rs.1,204/- to the exchequer.

Thus, Smt. Iftekar Ameena , the then APPO, Nampally now A.A.O. (Retd.), by the above mentioned acts has exhibited lack of integrity devotions to duty and conduct unbecoming of a Government Servant and thereby contravened Rule 3 (1) & (2) of A.P. Civil Service (Conduct) Rules, 1964.

3. In her defence statement, while denying the article of charge framed against her. she has requested to drop the charge on the following grounds:

(i) Consequent on the issue of the orders in G.O.Ms.No.79, Finance and Planning (FW.PSC) Department, dt.04-03-1989, the payment of pensions through the Banks introduced through G.O. (P) No. 299, Finance & Planning (FW. PSC1) Department, dt. 22-8-1985 has become compulsory without the appearance of the pensioners before the Pension Disbursing Officer as per SR 65(a) under TR 16 of A.P.Treasury Code Vol.I except for the first time of payment of pension. As the matters stood thus, orders have been issued in G.O.Ms.NO.213, Finance & Planning (FW.PSC) Dept., dt. 19-12-1997 prescribing procedures for the drawals and for placing the money at the disposal of the banks for remittance of pension to the Saving Banks Accounts of the pensioners. Thus the provisions contained in TR 16 of AP Try Code Vol.I. are sidelined: thereby making the pensioners not to attend the pension payment office to receive their monthly pension except making them compulsory to produce their life certificates, non-employment certificates and non-marriage certificates through the banks from which they are receiving their pension.

(ii) Further she has stated that the PPOs are kept in the record room and monthly pensions are being credited to the paying banks by means of cheque based on the computer outputs of previous month. The pension was paid irregularly for five months from March 1995 to July 1995 to the non-existing pensioner, Smt. Hussain Bee, PPO holder No.08F000162 without following the procedure prescribed in G.O.Ms.No. 213 Fin. & Plg. (FW.PSC) Dept., dt. 19-12-1997 and instructions issued thereon from time to time. This is a case pertaining to the period before the issue of orders in G.O.Ms.No. 213, Fin & Plg. (FW.PSC) Dept., and the pensioner is required to receive pension through the bank only without appearing before the APPO the

other cases based on computer outputs. She signed the list seeing the lists of previous months. She is not aware of changing the payee bank, much less to speak of changing descriptive rolls. Absolutely, there is no mistake on her part in continuing the payment for five months based on the lists of the previous months. The due date of receipt of life certificate was in November 1995 and hence the necessity of verifying the life certificate before arranging the payment for the months of March 1995 to July 1995 was not felt. Hence the charge is not based on real facts. **Hence requested to drop the article of charge, as he is in no way responsible for this bogus payment of Rs. 1,204/- towards pension.**

4. The defence of the charged officer that she had paid pension to bogus pensioners based on the life certificates is not at all tenable. It may not be possible to others, without collusion of the Charged Officers working in the APPO offices, to replace the photographs of the deceased pensioners pasted on the descriptive rolls with the photographs of the bogus pensioners. The defence of the Charged Officer is not satisfactory. The truth will come out only in a common inquiry of all the charged officers involved in the case. Hence, the Government have decided to conduct a regular common enquiry as per the procedure laid down under Rule 20 of A.P. Civil Services (CC&A) Rules 1991 read with Rule 9 of A.P. Revised Pension Rules, 1980. Since a common inquiry has to be ordered in this case to elicit the truth against all the 44 charged officers involved in this case, the disciplinary authority could not proceed with further action as majority of the Charged Officers did not submit their written statement of defence and insisted for certain original documents which were seized by the police and copies of certain documents.

5. Government, in exercise of the powers conferred by Sub-rule (2) of Rule 20 of A.P. Civil Services (CC&A) Rules, 1991, appointed Sri Janak Raj, IPS (Retd.) Commissioner of Inquiries, Department as Inquiry Authority to inquire into the charges framed against the Charged Officer Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.), Treasury and Accounts Department and in exercise of the powers conferred by Sub-Rule (5) of A.P. Civil Services (CC&A) Rules, 1991 appointed Sri Jagan Mohan Goud, Joint Director of Treasuries and Accounts O/o the Director General, Dr. MCR HRDI, Hyderabad as Presenting Officer.

6. The Inquiry Authority, Sri Janak Raj, Commissioner of Inquires has furnished his report vide reference 4th read above. . In the Enquiry the charge framed against Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) has been proved. While furnishing a copy of the report of Enquiry Officer, a Show Cause Notice was issued to Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) as to why a suitable punishment should not be imposed against him as the charge framed against has been proved in the inquiry vide reference 5th cited.

7. Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) **in her representation** while reiterating the points mentioned in her statement of defence, has requested to drop further action against her.

8. Government after careful consideration of the findings of the Inquiry Authority and representation of the Charged Officer, has provisionally decided to impose a punishment of withholding of Rs.1,000/- from her pension for a period of 3 months and issued a final Show Cause Notice to her vide reference 7th read above.

9. *According to Rule 9 (1) A.P. Revised Pension Rules, 1980, "The Government reserves to themselves the right of withholding a pension or gratuity, either in full or in part, or withdrawing a pension in full or in part, whether permanently or for a specific period and of ordering recovery from a pension or gratuity of the whole or part of any pecuniary loss caused, to the Government and to the local authority if, in any departmental or judicial proceedings the pensioner is found guilty of grave misconduct or negligence during the period of his service, including service rendered upon re-employment after retirement: Provided that the Andhra Pradesh Public Service Commission shall be consulted before any final orders are passed. Further, the Government will serve the person concerned*

with a show-cause notice specifying the action proposed to be taken under this rule and the person concerned will be required to submit his reply to the show-cause notice within such time as may be specified by the Government. The Government will consider the reply and consult the Andhra Pradesh Public Service Commission. If as a result of such consideration in consultation with the Commission, it is decided to pass an order under the rule, necessary orders will be issued in the name of the Government.

10. Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) in her explanation to the Final Show cause notice dated 22-06-2010 has stated that she is ready for withholding of Rs.1,000/- per month from her pension for a period of 3 months and requested to drop further action against her.

11. Government, after careful consideration of the material on record ie. Charge Memo., defence statement, finding of the Inquiry Authority, explanation of the Charged Officer to the Show Cause Notices, **provisionally decided to impose a punishment of** withholding of Rs.1,000/- from her pension for a period of 3 months on Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) and addressed the Secretary, Andhra Pradesh Public Service Commission for according concurrence of the Commission with the proposed punishment against Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) and intimate the same to the Government for taking further action.

12. The Secretary, A.P. Public Service Commission, Hyderabad in their letter 10th read above, have concurred with the proposal of the Government for imposition of a punishment of withholding Rs.1,000/- per month from pension for a period of 3 months on the Charged Officer Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.).

13. Government accordingly, hereby order for imposition of a punishment of withholding Rs.1,000/- per month from pension for a period of 3 months on the Charged Officer Smt. Iftekar Ameena, Assistant Accounts Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

14. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

15. The G.O. is available on Internet and can be accessed at the address <http://www.goir.ap.gov.in>.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**L.V. SUBRAHMANYAM
PRINCIPAL SECRETARY TO GOVERNMENT (FP)**

To

The individual through Director of Treasuries and Accounts, AP, Hyderabad.

The Director of Treasuries and Accounts, AP, Hyderabad.

The Joint Director, PPO, Hyderabad.

Copy to:

The Secretary, A.P. Public Service Commission, AP, Hyderabad.

The Secretary, A.P. Vigilance Commission, A.P., Hyderabad.

SF/SC

:: FORWARDED BY ORDER ::

SECTION OFFICER